



Premiers work together to strengthen Canada's future prosperity

ST. JOHN'S, July 17, 2015

Focusing on economic productivity and innovation

Future economic growth and prosperity will require Canada's economy to maintain and strengthen its competitiveness. Strong productivity and innovation are key drivers to competitiveness, and to promoting business growth and securing good jobs for Canadians.

Canada's Premiers also recognize governments play a role in fostering an environment that encourages long-term commercial development and supports economic prosperity.

As a part of their economic agenda, Premiers today announced that Premiers Davis, Wynne, Couillard, MacLauchlan and Clark will lead a working group of ministers in the creation of an **Economic Productivity and Innovation Working Group** to identify opportunities to enhance productivity and innovation within the Canadian economy. This group will take stock of existing provincial and territorial approaches in order to identify areas of action to help close the gap between innovation and commercialization and in turn support economic growth and job creation.

Breaking down internal trade barriers

Today, Premiers announced progress on enhancing internal trade and investment. This includes signing a provincial-territorial protocol to help facilitate the mobility of apprentices in Canada and further enhance the conditions for economic growth across the country. The protocol will enable mutual recognition of technical training, work experience and associated exams for apprentices moving between jurisdictions for work, either permanently or temporarily, as well as establish clear, accessible, consistent and transparent mobility information for apprentices.

Premiers also announced the coming into force of an improved Person-to-Government dispute settlement process under the Agreement on Internal Trade (AIT). The new dispute process includes the introduction of monetary penalties for non-compliance with panel reports. Creating a fairer and more transparent process for persons and firms to challenge regulatory practices when government measures are considered inconsistent with the AIT, will increase accountability and improve the flow of goods, services, investment and labour.

Premiers remain committed to an ambitious plan to address barriers in Canada and to complete a comprehensive renewal of the AIT by March 2016.

Premiers urged the federal government to reduce its own measures that limit or distort trade and investment in Canada and call upon the federal government to match Premiers' level of ambition in taking action to modernize the AIT, reduce barriers and distortions, and ensure equal opportunity for all Canadians.

Premiers continue to encourage progress in areas that have historically been identified as irritants, such as trucking rules, corporate registration, and technical barriers to trade.

Expanding international trade around the globe

Premiers discussed the importance of international trade in supporting and sustaining a competitive economy.

Premiers discussed recent agreements with the European Union and South Korea and encouraged the federal government to negotiate new agreements, with input and participation of the provinces and territories.

The United States continues to be Canada's largest trading partner and Premiers discussed the importance of continuing to develop and support this relationship. Premiers also discussed ongoing trade issues with the U.S., including the need for the U.S. Congress to bring an end to country-of-origin labeling (COOL) for beef and pork and ongoing challenges with "Buy American" provisions in U.S. legislation.

Premiers discussed how Canada's competitors are securing free trade agreements with key trading partners in Asia. Premiers expressed their strong support for the creation of a Canada-China panel to actively explore the way to deepen bilateral trade and economic cooperation between the two countries.

The benefits of new free trade agreements can only be realized if Canadian goods and services have a clear path to international markets. It is therefore incumbent on the federal government to ensure that it has sufficient capacity in essential trade-related services to take full advantage of opportunities created by free trade agreements.

Premiers reiterated the importance of provinces and territories having the opportunity to be more actively involved in the negotiations of international trade agreements in order to ensure provincial and territorial interests are fully considered and represented.

In circumstances in which the federal government has made commitments to or agreements with provinces/territories that are linked to international trade negotiations, the federal government should honour these commitments and obligations.

Investment in Infrastructure

Premiers agreed that investing in public infrastructure is a priority for provinces and territories and that there is a need to build on the successful infrastructure partnerships with the federal government. Canada needs to consistently invest at a level that reflects the proven capacity of public infrastructure to:

- drive economic growth;
- manage congestion and facilitate getting goods to market;
- drive international trade;
- increase productivity;
- improve Canadians' quality of life; and
- mitigate the impacts of severe weather on our communities.

The Conference Board of Canada suggests that to keep up with our competitors, the country needs to increase its current level of public infrastructure investment, which is 3.6% of GDP. Currently, the costs of public infrastructure across Canada are borne disproportionately by provinces, territories and their municipal partners, compared to the federal government. Premiers call on the federal government to make infrastructure a priority for new investment, with increased funding to provinces and territories to support the construction or maintenance of key infrastructure which is integral to economic development. They further urged the federal

government to work with provinces and territories to set an infrastructure investment target for Canada that supports economic growth and innovation, and respects the priorities and particular contexts of each province and territory.

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